

Testimony by Assistant Secretary Jendayi E. Frazer
“The Impact of Liberia’s Election on West Africa”
House International Relations Committee
Subcommittee on Africa, Global Human Rights and International Operations
Chairman Christopher H. Smith
February 8, 2006

INTRODUCTION

Good afternoon, and thank you, Mr. Chairman, for the opportunity to testify about the positive domestic and regional implications of Liberia’s recent presidential election. President Bush and Secretary Rice have made Africa a policy priority, and I am proud to appear before you as a member of their team. It was my privilege to join the First Lady and Secretary Rice at the recent swearing in of President Ellen Johnson Sirleaf, and I believe the high level U.S. delegation conveyed our interest in renewing our close relationship with the people of Liberia.

We are living in a period of unique opportunity for Africa. Across the continent, civil conflicts are giving way to civil society and free elections. The election and inauguration of Liberia’s new president, Ellen Johnson Sirleaf, is a prime example. This is a nation with whom the United States has historically shared a close relationship. This is also a nation whose development and productivity were hobbled for 14 years by civil war. But now, Liberia has given the African continent its first democratically elected woman president. Changes are underway, and there are many reasons to be hopeful for the Liberian people and their neighbors.

While working with our African partners, I am always cognizant of President Bush’s directive to make the world “safer, better, and freer.” This phrase encapsulates the President’s foreign policy objectives. President Bush supports policies that involve making real changes in the lives of real people, and this Administration’s policies on Liberia are one noteworthy piece of the larger picture being painted by Members of Congress and professional staff at various federal agencies.

This is a good news story about Americans supporting African efforts to better Africa. As Secretary Rice recently noted, “Transformational diplomacy is rooted in partnership, not paternalism; in doing things with other people, not for them. We seek to use America’s diplomatic power to help foreign citizens to better their own lives and to build their own nations and to transform their own futures.”

For a nation whose name literally means ‘land of the free’ and whose founders were freed American slaves, self-determination is strategically and symbolically important. The defense, diplomacy, and development efforts that the U.S. government has undertaken are helping Liberia move from a state of war toward being a state at peace. The American people deserve to feel proud of their government and its actions.

Today, my goal is to elaborate on the three key reasons why the 2005 Liberian presidential election is a win, not only for the 3 million people of Liberia, but also for the

people of this country. The first is that regional stability is improved with a democratic and secure Liberia. The second is that the region's trend toward democratization is reinforced by Liberia's election. Lastly, an economically prosperous Liberia will have positive repercussions, enhancing trade and development throughout West Africa. Economic growth would reinforce the simultaneous political transformation, establishing a welcome cycle of progress toward hope, stable elected rule, and prosperity.

REGIONAL STABILITY

President Bush's strategy for national defense is one of global peace and security. In practice, this means working bilaterally or multilaterally to address given situations. It means working with regional and sub-regional organizations, such as the African Union and Mano River Union. Since 2001, one of the central elements of President Bush's Africa policy has been the emphasis on supporting the capacity of African countries and regional organizations to mediate conflicts and carry out peacekeeping operations, to reduce the amount of external help that is needed.

The President understands that regional conflicts have global repercussions. Consider the fact of civilian deaths, refugees and internally displaced persons, arable land that lies uncultivated, and stagnant economies that offer parents no way to support their children. Liberia's internal conflict produced untold death and destruction, shattered the nation's infrastructure, and exported trouble to nearby states, such as Sierra Leone and Guinea.

Liberia's former president Charles Taylor bears much of the responsibility for Liberia's suffering. The U.S. Government has consistently maintained that Taylor must be brought to justice before the Special Court. This will significantly help to bring closure to a tragic chapter in Liberia's history and help all of West Africa overcome patterns of impunity, illicit trade, and civil conflict.

Liberia's condition is clearly of concern beyond its own borders. If Liberia is internally secure, all of West Africa will benefit. It becomes easier for the region to address the ongoing unrest in Cote d'Ivoire, as well as fragile situations in Guinea and Sierra Leone. A stable Liberia is a force for regional stability.

With few interludes, Liberia's civil war raged for 14 years. In the spring and summer of 2003, President Bush supported the Economic Community of West African States (ECOWAS) in putting together a comprehensive agreement toward a lasting peace. When chaos broke out in the streets of the capital, President Bush sent U.S. Marines into Liberia to protect the innocent and create a sense of order amid the chaos. Only Nigerian soldiers arrived earlier than our Marines.

The American action was historic, and represented the first time American boots had touched African soil for stability operations in nearly a decade. Following that deployment, the United States stayed the course in Liberia with further logistical assistance to the ECOWAS Mission in Liberia (ECOMIL) and provided extensive humanitarian assistance. On September 19, 2003, the United Nations Security Council

adopted Resolution 1509, which established a peacekeeping operation in Liberia, known as UNMIL. UNMIL consists of 15,000 troops plus a sizeable contingent of UN police officers and military observers. This force has helped maintain calm.

The Liberians agreed among themselves on a transitional government that paved the way for free and fair elections in October 2005. National reconstruction is underway, and the United States has taken the lead as the major contributor. The U.S. Congress generously appropriated over \$880 million in the last two fiscal years to help with reconstruction efforts. More than \$520 million of that money has supported UNMIL. For fiscal year 2006, we have allocated more than \$270 million for continued support of the nation's reconstruction and peacekeeping efforts.

Liberia continues to benefit from various U.S. Government funding, including: Economic Support Funds, Development Assistance, Migration and Refugee Assistance, P.L. 480 Title II food aid, and Child Survival Health Funds. The United States has the largest diplomatic mission in Liberia, and the United States is supporting security reforms, including the new Liberian National Police Academy. Between 2004 and 2005, the United States contributed \$60 million to support the training and equipping of a civilian-led Liberian military force. Recruiting for the new army began on January 18, and the goal is to have a new army of 2,000 soldiers ready by 2008.

Sending American Marines into Monrovia was a bold action with positive results. After years of turmoil, Liberians are beginning a long process of reconstruction and post-war recovery. Nearly two decades of conflict left the national infrastructure in shambles and left people without basic services, such as access to clean water and electricity. A generation of children has only known war and destruction. They are now looking to a peaceful and democratic nation to meet their hopes for a future of dignity and an opportunity to support themselves.

The tide has turned, and since 2003, Liberians have had the opportunity to restore order, create a responsive government, and welcome refugees home. Liberia's transition from war to peace is a crucial and historic development. As former General and President Dwight Eisenhower noted many years ago, "We seek peace, knowing that peace is the climate of freedom." That remains true. Today, we seek peace by sowing seeds of democracy.

DEMOCRATIZATION

The United States has had a close relationship with Liberia dating back to the 1820s. In fact, the United States and Liberia have been close allies, particularly throughout the Cold War and up until civil war broke out in 1989. As we look to the future, there is reason to believe we can renew that close friendship.

The Liberian people had an opportunity to elect new leadership last fall, and people voted for freedom; they voted to have a voice in their national government. The U.S. government policy is to support and encourage democratic rule abroad, and for that reason, the United States spent \$10 million in support of last October's election. We

believe that freedom is the way forward. Every nation's government will reflect local cultures and values, but only a free government can hope to protect individuals' liberty and nurture its people's untapped potential.

In Liberia, our goal is to support local efforts to stand up a freely elected government, a dynamic economy, and the health, educational, and other services that are essential to the well-being of any nation. The peaceful and fair election of Ellen Johnson Sirleaf is encouraging. Her win symbolizes a victory for gender inclusiveness.

We have made great progress since 2003 due to the concerted effort of the many American public servants who were mobilized to engage on so many levels. Our Congress, the Department of Defense, the Department of Treasury, the Marines, USAID, and the State Department all helped to effect this transition. At the American Embassy in Monrovia, our diplomats have done an extraordinary service over the last two and a half years in helping Liberians move past the era of civil war and toward a better future. This is a Liberian solution to a Liberian challenge. Americans are participating, but only as partners.

The United States continues to support Liberian recovery efforts as an important element of our security, political, economic, and humanitarian strategy for West Africa. After all, nations with democratically elected governments can resolve internal disputes on Election Day, and they are unlikely to destabilize or terrorize their own people or adjacent nations.

Toward this end, we have and will continue to offer monetary and other assistance. The U.S. government has proactively engaged the international community and advocated on behalf of Liberia. In February 2004, this country co-hosted an international conference on Liberia's reconstruction. Donors pledged more than \$522 million in assistance. The United States contributed \$200 million toward the critical humanitarian needs of refugees and displaced persons, community revitalization, independent media, policing, social services, and other sectors.

In fiscal years 2004 and 2005, the United States contributed \$520 million to the UN Mission in Liberia and \$75 million for community reintegration, including work and education programs for youths and former combatants. Another \$23 million has supported the rule of law, including judicial structures and civilian police programs.

The United States continues to support these indispensable programs. After years of civil war, the physical infrastructure needs to be rebuilt from the ground up, but in many cases, so does the social network. Almost half of Liberia's 3.3 million people were uprooted during the civil war, and some 190,000 Liberians remain in other countries, including Cote d'Ivoire, Ghana, Guinea, and Sierra Leone. Interpersonal relationships and reconciliation, as well as coming to terms with the atrocities committed during the civil war, are part of the new government's agenda.

The U.S. government has funded a program in support of law and justice that will send a resident legal advisor and a five-person team of technical experts to Liberia. This team will help improve the Liberian criminal justice system. We will help launch a Truth and Reconciliation Commission, while also supporting an access to justice program to increase the confidence of Liberians to resolve disputes efficiently, fairly and effectively through the justice sector. Additionally, we will work to establish legal advice centers and a national referral network; integrate alternative dispute mechanisms; and provide incentives to attract public defenders.

President Bush intends to remain engaged with Liberia, while this restored democracy finds its footing. For that reason, the Administration plans to allocate nearly \$43 million in fiscal year 2006 Economic Support Funds (ESF) money, including some \$6 million to be made available immediately for quick-impact projects, including rebuilding schools, court houses, and hospitals. Roads that connect Liberia's major cities also need to be built. All in all, including planned allocations for the current fiscal year, the United States' contribution to Liberia's reconstruction for fiscal years 2004-2006 will exceed \$1 billion. Our financial contributions underscore the seriousness of our commitment to Liberia's future. President Bush, members of his Administration, and members of Congress agree – we are all dedicated to helping Liberia realize its tremendous promise.

ECONOMIC PROSPERITY

Direct aid is helpful, but it is by no means a panacea. As Secretary Rice recently remarked, "America's foreign assistance must promote responsible sovereignty, not permanent dependency." It is with those words in mind that we move to the third point – the importance of promoting economic prosperity and security.

Liberia has the potential to be a regional economic force. It has valuable natural resources, which could be exported abroad; this would create many local jobs and generate revenue to finance the nation's budget. Before its civil war, Liberia was a major exporter of iron ore and natural rubber. The country is rich in diamonds, gold and other minerals as well as natural resources such as timber and agriculture that are additional sources of potential economic activity. However, much investment will be required to restore these industries and Liberia's dilapidated infrastructure.

Spurring widespread economic growth poses both short-term and long-term challenges for the new Liberian government. Since Liberia's prolonged crisis was in large part financed by illegal sales of the nation's major natural commodities, the UN passed Resolution 1343 in 2001 to forbid the import of Liberian diamonds by any member countries. Another resolution forbidding the import of Liberian timber followed in 2003. With timber products under UN sanction, the Liberian government's main source of income in recent years has been maritime revenue (approximately \$13.5 million in 2004) and import taxes (roughly \$23 million in 2004).

The new Liberian government is expected to encourage the UN to lift these sanctions and prod the growth of export-oriented jobs within Liberia. Toward this end,

Liberia must move quickly and aggressively to address the concerns underlying those sanctions. The United States is working with the Liberian government through the Liberia Forest Initiative (LFI) to establish transparency and effective management in the forest sector and to fortify the government's oversight of this important sector. In a similar fashion, the United States is working with the international community to bring better governance and transparency to Liberia's diamond export industry.

In addition to sector-specific work, the U.S. government is involved with macro economic policy assistance to the country. The United States is a driving force behind the well regarded Governance and Economic Management Assistance Program (GEMAP). GEMAP is intended to reduce corruption, improve revenue collection and increase expenditure transparency, thereby channeling Liberia's revenue-generating resources into efficient and effective uses by the Liberian government. The international financial institutions (IFIs) will be tracking Liberia's progress for improved economic management and consistent implementation of the GEMAP program before considering normalizing relations, addressing IFI arrears of \$1.4 billion, providing new assistance, and eventual debt relief. Liberia carries a heavy bilateral debt burden, as well. Bilateral creditors, owed \$783 million year-end 2004, will also be looking to the new government's economic management performance before initiating debt relief. Liberia owes \$382 million to the U.S. Government alone.

This might seem an insurmountable obstacle, but there is good reason to believe that with a sufficient track record of performance Ellen Johnson Sirleaf and her government will be able reach agreement with the World Bank, the IMF, and others for alleviation of her nation's massive debt burden. The U.S. plans to work closely with Liberia and its creditors to help resolve the debt situation.

The U.S. Treasury Department's Office of Technical Assistance has been heavily engaged in Liberia, providing assistance on budget and debt management, banking supervision, and tax collection systems. There are currently two resident advisors, one in the Bureau of the Budget and one in the Central Bank. The budget engagement has focused on building capacity within the Bureau of Budget, so that the Ministry of Finance can better formulate and execute the budget. The banking supervision program has focused on building capacity within the banking supervision department to improve its ability to properly regulate and oversee the banking sector. The tax project is a comprehensive plan involving technical assistance, as well as hardware and software, in an effort to stem corruption and increase revenue flows to the newly elected government.

The Administration will also look into putting Liberia on the fast track to join the African Growth and Opportunity Act. We will encourage economic coordination and collaboration with the nations of ECOWAS, as well as with Liberia's Mano River Union partners. Liberia is ready to join the international community, and it is important to welcome them to the global marketplace as well. For the stability of the nation, as well as the region, economic development is a wise and necessary policy objective.

CONCLUSION

In closing, I would like to reiterate my appreciation for having the opportunity to testify and share my enthusiasm and optimism about the future of Liberia. This is a nation that is emerging from the shadows and greeting the hope of a promising tomorrow. Ellen Johnson Sirleaf has an enormous task ahead of her as her nation attempts to rebuild after 14 years of bloodshed, but I believe that President Sirleaf is undoubtedly equal to the task. She will have the cooperation of the Liberian people, as well as the support of President Bush and his Administration.

This nation's relationship with Liberia stretches back nearly two centuries, and we remain as committed to our Liberian friends as ever. There is great reason for the Liberian people to be hopeful that the years ahead will be more peaceful and more secure. They have elected a new leader in a free and fair election, and economic recovery is coming.

The African Union, the United Nations – international and regional organizations will do their part, and of course, so will the United States. We have been fully committed to helping Liberia make the transition from war to peace since 2003, and we won't quit now. Liberia's situation and the U.S. response represent the perfect confluence of defense, diplomacy, and development. The three are inextricably linked and mutually reinforcing. Thank you, Mr. Chairman and members of the Committee for the work that you do. We are effecting transformational diplomacy. The work that we do in support of the Liberian people is likely to have lasting implications. Freedom is, indeed, the way forward.